

11/01/01

Hearing:
June 28, 2001

**THIS DISPOSITION
IS NOT CITABLE AS PRECEDENT
OF THE T.T.A.B.**

Paper No. 41
AD

UNITED STATES PATENT AND TRADEMARK OFFICE

Trademark Trial and Appeal Board

Cosmair, Inc.
v.
Jean Alexander Cosmetics, Inc.

Cancellation No. 26,649

Russell H. Falconer and Jeanne Hamburg of Baker Botts,
L.L.P. for Cosmair, Inc.

James Cirilano of Cirilano & Wright for Jean Alexander
Cosmetics, Inc.

Before Chapman, Holtzman, and Drost, Administrative
Trademark Judges.

Opinion by Drost, Administrative Trademark Judge:

On August 15, 1997, Cosmair, Inc. (petitioner) filed
a petition to cancel Registration No. 1,790,050, owned by
Jean Alexander Cosmetics, Inc. (respondent). The
registration, for the mark shown below, issued on August
31, 1993, as a result of an application filed on January
13, 1993.



The goods in the registration are identified as "hair care preparations; namely, shampoo, conditioner, styling lotion, permanent wave, hair dressing" in International Class 3. The registration alleges a date of first use and a date of first use in commerce of July 5, 1990.¹

Petitioner claims that it has filed an application (Serial No. 75/057,432) to register the mark shown below for goods identified as "hair care products, namely, shampoos, and hair color which are sold to and by professional hair dressers, stylists and salons" in International Class 3; "charts for matching hair care products with various hair types" in International Class 16; and "swatch rings containing sample hair pieces of various colors" in International Class 26.

¹ Section 8 affidavit accepted. Respondent has disclaimed the term "system."



Petitioner alleges that respondent's registration has been cited as a bar to the registration of its application; that it has, through a predecessor in interest, been using the SHADES EQ and design mark long before respondent's adoption and use of its mark, and respondent's application for registration of its mark; and that there is a likelihood of confusion between the two marks and, therefore, it seeks the cancellation of respondent's registration.

In its answer, respondent denied the salient allegations of the petition to cancel. Both parties have filed briefs in this case, and both parties attended an oral hearing held before this Board on June 28, 2001.

The Record

The record consists of the file of the involved registration; the trial testimony deposition, with accompanying exhibits, of Judith Maginn, petitioner's assistant vice-president of marketing; the trial testimony deposition, with accompanying exhibits, of Steven Vance Goddard, petitioner's former senior vice-

president of marketing and advertising; the trial testimony deposition, with accompanying exhibits, of Thomas Canode, chief financial officer of Marshall Salon Services; the trial testimony deposition, with accompanying exhibits, of Richard Riso, respondent's chemist; the trial testimony deposition, with accompanying exhibits, of Joseph Scioscia, respondent's chief executive officer; petitioner's notice of reliance on the discovery deposition, with accompanying exhibits, of Joseph Scioscia, excerpts from Modern Salon, and petitioner's trademark application file for its SHADES EQ and design mark; and portions of a discovery deposition of David Cannell, a senior vice-president of petitioner's Redken division, dictionary definitions, and responses to interrogatories submitted by respondent in its notice of reliance.

PRIORITY

Before we can address the likelihood of confusion issue, we must determine what petitioner's mark is and other issues related to priority. While petitioner has referred to its mark as "SHADES EQ and design," the petition to cancel does not contain an image of the mark. Petitioner's pending trademark application, which is

referred to in its petition to cancel, is for the following mark.



The petition to cancel indicates that petitioner's use of its SHADES EQ and design mark predates respondent's date of first use in its registration (July 5, 1990), with an allegation that petitioner has used its mark since 1988. During the course of the trial, it became clear that the mark petitioner used in 1988 was the mark shown below.



Petitioner describes this difference as "a *de minimis* alteration of Petitioner's mark." Reply Br., p. 1. Respondent sees the marks as being two different marks and argues that petitioner "should not be permitted to 'tack' the date of first use of an earlier, now abandoned, mark onto its current mark, thereby obtaining a date of first use of 1988." Respondent's Br., p. 13.

In effect, respondent is arguing that petitioner abandoned its mark when it "modernized" it around 1992. Its best evidence of abandonment of the original mark is the testimony of one of petitioner's witnesses, David W. Cannell, senior vice-president of Redken Research and Development, who responded to a question of when did Redken² stop using the original mark by saying: "I believe it was in 1992." Cannell dep., p. 92.

However, another witness of petitioner quite clearly and specifically testified that the original mark, without the vertical line connecting the three horizontal lines, was still in use at the time of her testimony. The witness, Judith Maginn, assistant vice president of marketing for Redken, was shown containers for lightening crystals with the new and the old versions of the marks on them. Maginn Ex. 5 (modernized version) and Maginn Ex. 9 (original version).

Q. Referring specifically to Maginn Exhibits 9 and Maginn 5, are both of those products currently offered for sale?

² Redken was acquired by Cosmair in 1994. Goddard dep., p. 10 ("Q. When did Cosmair's acquisition of Redken and Redken Brands occur? A. I believe, May of '94."); Maginn dep., p. 6 (Q. Did there come a time when you learned that Cosmair had acquired Redken and all Redken brands? A. Yes. Q. What is the relationship between Cosmair and Redken? A. Cosmair owns Redken.").

A. Yes.

Q. Approximately how long will both be offered for sale?

A. About another year to two years.

Q. Why is it that they're both currently offered for sale?

A. We enhanced the package design in 1998. And this is some of the older package we still have in the marketplace.

Maginn dep., pp. 12-13.

While petitioner's witnesses were somewhat inconsistent, we rely on the testimony of Maginn who was able to describe with specificity why the two marks were still in use and when Redken was likely to run out of these products with these marks on them. We conclude that the original Redken mark is still in use and, thus, petitioner is entitled to rely on this representation of its mark to establish that there is a likelihood of confusion.

In addition, we hold that petitioner has established priority of its original SHADES EQ and design mark because it has used this mark since 1988 and it continues to use this mark on hair care products. See Goddard dep., pp. 16-17 (SHADES EQ equalizing conditioning color

glass and processing solution launched, and sales orders taken, at the Barber and Beauty Supply Institute function in 1988). See also Petitioner's Ex. 2 (advertisement in Modern Salon, Oct. 1989); Canode dep., p. 5 and Ex. B (Showing sales of SHADES EQ products from mid-1989 through 1990).

However, we cannot agree with petitioner that the change from the earlier to the later version of its mark is a simple modernization of its mark and only a de minimis change. Petitioner's original mark is a design that, at best, suggests the letters "EQ." Its modernized mark unmistakably shows these same letters, rather than merely suggesting them. We agree with respondent that petitioner cannot rely on this modernized mark because its first use postdates respondent's first use and the differences between the two marks are too substantial to support petitioner's claim that they are essentially the same mark. "[O]ur inquiry must focus on both marks *in their entirety* to determine whether each conveys the same commercial impression... Tacking is occasionally permitted where the two marks, though differing slightly in their literal or grammatical presentation, nevertheless possess the same connotation in context." Van Dyne-Crotty Inc. v. Wear-Guard Corp., 926 F.2d 1156,

17 USPQ2d 1866, 1869 (Fed. Cir. 1991) (emphasis in original). Legal equivalence is more than confusing similarity. "The previously used mark must be the legal equivalent of the mark in question or indistinguishable therefrom, and the consumer should consider both as the same mark." Id. at 1868.

Here, we cannot say that consumers would consider petitioner's original and modernized marks "as the same marks." The original mark is a barely recognizable design of the letters "EQ." Many potential purchasers would likely not even recognize the letters and instead believe it is simply an interesting design. Petitioner's modernized mark clearly contains the letters "EQ." Therefore, we hold that the two marks do not meet "the stringent standards applicable to tacking proposals" and the two marks are not legal equivalents because purchasers would clearly differentiate them. Id. The three horizontal lines are only suggestive of the letter "E" and many prospective purchasers are unlikely to associate the lines with that letter. Even the other letter, "Q," is not readily apparent without studying the mark closely. Petitioner's own promotional materials describe the new design as its "new, easier to read logo." Maginn Ex. 31, p. 2. As shown below, the two

marks contain more than just de minimis differences and one is not the simple modernization of the other.

Original Mark



Modernized Mark



We conclude that petitioner has established priority for its original mark only. The modernized mark is not the same mark, and because its use postdates respondent's use, petitioner has not established priority of the modernized mark.

LIKELIHOOD OF CONFUSION

We now turn to the other issue in this case, which is whether petitioner's mark SHADES EQ and design, which is used on various hair care products is confusingly similar to registrant's mark for EQ SYSTEM and design, which is also used on hair care products. Now, we analyze this issue in light of the factors set out in In re E. I. du Pont de Nemours & Co., 476 F.2d 1357, 1361, 177 USPQ 563, 567 (CCPA 1973). Not all of the du Pont factors are applicable in every case. In re Dixie Restaurants, 105 F.3d 1405, 1406, 41 USPQ2d 1531, 1533 (Fed. Cir. 1997).

In this case, the first factor that we consider is whether the marks are similar. We will not only consider whether petitioner's original mark is confusingly similar to respondent's mark, but, solely for the sake of completeness, we will also consider whether the modernized version of petitioner's mark is confusingly similar to respondent's mark.³ We do this in case upon further review, it is determined that petitioner's original and modernized marks are legal equivalents.

Both petitioner's marks and respondent's mark are design marks that contain the same letters EQ. We have already noted that the letters EQ are barely discernable in petitioner's original mark. While the marks contain the same two letters, they have significant differences. Respondent's mark is EQ SYSTEM and design, while petitioner's mark is SHADES EQ and design.



³ We reject respondent's argument that the name of the product, "equalizing conditioning color gloss," was a part of petitioner's original mark. The evidence of record shows that

Both petitioner's and respondent's marks are displayed in somewhat different designs that are certainly not identical. While the marks are somewhat similar, they also have differences in sound, appearance, meaning and commercial impression. The parties' marks would be pronounced differently. Their appearances are different with the only point of similarity being the letters "EQ." The letters "EQ" are a recognized abbreviation for "equal," "equation," or "equivalent." Webster's II New Riverside University Dictionary (1984), p. 1346.⁴ Petitioner itself uses its mark with "equalizing conditioning color gloss." Maginn Ex. 31, p. 2. Respondent indicated that its mark "was derivative from trying to get the balance, which at this - then at the time was called equilibrial [sic] balance. It was trying to balance the products on the hair to get an end result." Scioscia test. dep., p. 32. Thus, the letters "EQ" have a suggestive meaning when applied to hair care products to suggest an equalizing or equilibrium effect the product would have on the hair.

the generic language is used in smaller print, and it is clearly separable from the "SHADES EQ and design" mark.

⁴ We take judicial notice of this dictionary definition. University of Notre Dame du Lac v. J.C. Gourmet Food Imports

This somewhat common meaning of the common letters "EQ" creates a different meaning when applied to the words "shades" and "systems." One suggests color shades that are equalized when applied to hair and the other suggests a system that keeps hair in equilibrium with the right balance of hair care products. While we find that the marks contain the same two letters, "EQ," they have significant differences in sound, appearance, meaning, and commercial impression.

Next, we look at the relatedness of the goods. To determine whether the goods are related, we must look to the goods as they are defined in the registration. See Octocom Systems, Inc. v. Houston Computers Services Inc., 918 F.2d 937, 16 USPQ2d 1783, 1787 (Fed. Cir. 1990) ("The authority is legion that the question of registrability of an applicant's mark must be decided on the basis of the identification of goods set forth in the application regardless of what the record may reveal as to the particular nature of an applicant's goods, the particular channels of trade or the class of purchasers to which the sales of goods are directed"). See also Canadian Imperial Bank of Commerce v. Wells Fargo Bank, 811 F.2d 1490, 1493, 1 USPQ2d 1813, 1815 (Fed. Cir. 1987) ("it was

Co., 213 USPQ 594, 596 (TTAB 1982), aff'd, 703 F.2d 1372, 217

[applicant] that sought to register its mark for the broad range of services, and it is on that basis that the Board correctly determined the likelihood of confusion issue"); Paula Payne Products v. Johnson Publishing Co., 473 F.2d 901, 177 USPQ 76, 77 (CCPA 1973) ("Trademark cases involving the issue of likelihood of confusion must be decided on the basis of the respective descriptions of goods").

In this case, the goods in respondent's registration are identified as "hair care preparations; namely, shampoo, conditioner, styling lotion, permanent wave, hair dressing." Petitioner's goods in 1988 were related hair care products for equalizing conditioning color gloss and processing solution for hair care. Maginn dep., pp. 115-16. Subsequently, petitioner has used its mark on a wide variety of goods including shampoo so that the goods of the parties are either identical or related hair care products.

Thus, we are dealing with marks that have some similarities and are used on identical and related hair care products. We must now consider other factors that effect the question of whether there is a likelihood of confusion in this case. The CCPA's final factor requires

USPQ 505 (Fed. Cir. 1983).

us to consider "any other established fact probative of the effect of use." Du Pont, 177 USPQ at 567. One important consideration in this case is the opinions and attitude of the parties in regard to the issue of likelihood of confusion. In the case of consent agreements we have been cautioned to place significant emphasis on the parties' views regarding whether there is a likelihood of confusion:

We have often said, in trademark cases involving agreements reflecting parties' views on the likelihood of confusion in the marketplace, that they are in a much better position to know the real life situation than bureaucrats or judges and therefore such agreements may, depending on the circumstances, carry great weight, as was held in DuPont. Here, the board appears effectively to have ignored the views and conduct of the parties merely because it harbored a different view from the parties on likelihood of confusion.

Bongrain Int'l (Am.) Corp. v. Delice de France, Inc., 811 F.2d 1479, 1 USPQ2d 1775, 1778 (Fed. Cir. 1987). "All evidence tending to prove or disprove a likelihood of confusion between two marks must be considered."

Georgia-Pacific Corp. v. Great Plains Bag Co., 614 F.2d 757, 204 USPQ 697, 699 (CCPA 1980). Here, the witnesses of the parties testified that confusion is either unlikely or they were equivocal about the likelihood of confusion. Petitioner's assistant vice-president for marketing could foresee some possibility of confusion.

Q. Do you believe that the Jean Alexander product is likely to be confused with the Redken product because of the trademark EQ Systems?

A. In the totality of the product, I would say no.

Q. Do you believe looking at the mark alone, that is comparing EQ Systems with the Redken mark Shades EQ, do you believe that those two marks are confusingly similar?

A. That would depend on how they were used.

Q. If they were to appear on a white piece of paper, both being the same size and in the same proportion of design, do you believe that they would be confusingly similar?

A. They could be if you just glanced at them and you were looking for one.

Maginn dep., p. 78.

Petitioner's former senior vice-president of marketing and advertising was much less equivocal.

Q. [D]o you think a purchaser of these products, referring to Exhibits 17 through 34 collectively [products containing petitioner's modernized mark and respondent's mark] would likely be

confused into believing they came from the same source?

A. No, I don't believe so.

Goddard dep., p. 127.

Petitioner's witness subsequently went on to explain that he believed that "Shades is an integral part of the Shades EQ logo. And because of that inclusion with that logo, I think it differentiates it." Goddard dep., p. 129. Similarly, respondent's chief executive officer did not believe that confusion was likely.

Q. You don't think that the public is likely to be confused between Shades EQ and EQ Systems?

A. Absolutely not.

Scioscia disc. dep., p. 42.

Respondent also disagreed with the examining attorney's determination that petitioner's pending application for SHADES EQ and design was confusing similar to respondent's registration for EQ SYSTEM and design. Id. at 35. Furthermore, referring to respondent's logo (Goddard Ex. 25) and petitioner's modernized logo (Goddard Ex. 32), was questioned as follows:

Q. Do they look different to you?

A. Yeah, they --- it's distinctly different.

Scioscia disc. dep., p. 222.

While the evidence of the parties' testimony on the likelihood of confusion is not conclusive, "[w]e find no warrant, in the statute or elsewhere, for discarding any evidence bearing on the question of likelihood of confusion." du Pont, 177 USPQ at 568. Similarly, as the businesspeople in the marketplace most directly impacted by confusion, the opinions of these witnesses regarding the unlikelihood of confusion should not be dismissed.

Another factor we consider in this case is the presence or absence of actual confusion. Despite the fact that the parties have been using their respective marks on related goods for more than six years at the time of trial, neither party testified that there were any instances of actual confusion.⁵ Scioscia's disc. dep., p. 234; Goddard dep., p. 131; Petitioner's Br., p. 21 ("There has not been any evidence of actual confusion although the marks have been concurrently used"). While

⁵ Although respondent's registration alleges a date of first use in commerce of July 5, 1990, respondent's CEO's testimony demonstrates that there was no use in commerce until at least several months after that date. Scioscia disc. dep., p. 96 ("Q. Do you think that it's possible that the date that's here - July 5, 1990 - might be a mistake...? A. I'd have to assume that that had to be because I can't right now recall something on July 1990."); Scioscia dep., p. 46 ("Q. When was the bottle shipped to distributors and beauticians and customers after you received the bottles and filled the bottles? A. The initial ones that

the absence of actual confusion does not equate to a finding of no likelihood of confusion, it is one of the factors that we consider in this case when the marks of both parties have co-existed for a number of years. G.H. Mumm & Cie v. Desnoes & Geddes Ltd., 917 F.2d 1292, 16 USPQ2d 1635, 1638 (Fed. Cir. 1990) ("Further, we note that despite over a decade of the marketing by Desnoes of Red Stripe beer in certain of the United States, Mumm was unable to offer any evidence of actual confusion. This too weighs against a holding of a likelihood of confusion"). "We cannot think of more persuasive evidence that there is no likelihood of confusion between these marks than the fact that they have been simultaneously used for five years without causing any consumers to be confused as to who makes what." Brookfield Communications, Inc. v. West Coast Entertainment Corp., 174 F.3d 1036, 50 USPQ2d 1545, 1555-56 (9th Cir. 1999); Oreck Corp. v. U.S. Floor Systems, Inc., 803 F.2d 166, 231 USPQ 634, 639 (5th Cir. 1986) ("Oreck's inability to point to a single incident of actual confusion [after seventeen months of concurrent use] is highly significant").

came in before the main bulk came in was probably December or November [of 1990])."

The Trademark Act does not speak in terms of remote possibilities of confusion, but rather, the likelihood of confusion occurring in the marketplace. The Federal Circuit has stated that more than a mere possibility of confusion must be shown; instead there must be demonstrated a probability or likelihood of confusion. See Electronic Design & Sales Inc. v. Electronic Data Systems Corp., 954 F.2d 713, 21 USPQ2d 1388, 1391 (Fed. Cir. 1992), quoting Witco Chemical Co. v. Whitfield Chemical Co., 418 F.2d 1403, 164 USPQ 43 (CCPA 1969) ("We are not concerned with mere theoretical possibilities of confusion, deception, or mistake or with *de minimis* situations but with the practicalities of the commercial world, with which the trademark law deals").

After considering all the evidence, we come to the conclusion that there is no likelihood of confusion between respondent's mark and petitioner's original and modernized marks. We have carefully considered the fact that at least some of the goods of petitioner and respondent overlap and the fact that petitioner has extensively advertised and promoted its mark. However, there are significant differences between the marks, and, when applied to hair care products, the marks are not unique or arbitrary. In addition, there has been a long

period of simultaneous use without actual confusion. Furthermore, the testimony of the parties' witnesses indicates that confusion, at best, might be possible, but hardly likely. Weighing all the relevant du Pont factors, we conclude that there is no likelihood of confusion in this case.

Other Issues

A. Laches

Respondent has alleged that the petition for cancellation is barred by laches because petitioner was aware of respondent's registration in May of 1994 and it took no action until August of 1997. "The elements of laches are (1) unreasonable delay in assertion of one's rights against another; and (2) material prejudice to the latter attributable to the delay." Lincoln Logs Ltd. v. Lincoln Pre-Cut Log Homes Inc., 971 F.2d 723, 23 USPQ2d 1701, 1703 (Fed. Cir. 1992). Respondent, who has asserted laches as a defense, has the burden of proof. Aquion Partners L.P. v. Envirogard Products Ltd., 43 USPQ2d 1371, 1373 (TTAB 1997).

We hold that respondent has not met its burden on either element. First, the delay of approximately three years was not, in itself, inexcusable. See Plymouth Cordage Co. v. Solar Nitrogen Chemicals, Inc., 152 USPQ

202, 204 (TTAB 1966) (Three-year delay without more was not sufficient). Moreover, the circumstances demonstrate that the delay was not unreasonable. In 1994, Redken was acquired by petitioner. Also in 1994, the Redken headquarters in California was affected by an earthquake (Goddard dep., pp. 10 and 62). The confusion caused by the merger and the earthquake help to explain and excuse the three-year delay in filing the petition to cancel. Furthermore, the alleged prejudice to respondent is not material. To the extent that petitioner's documents are not available, it is not because of the delay in filing the petition to cancel. They were apparently destroyed in the earthquake. To the extent that respondent chose to destroy its own documents after discovering petitioner's potentially conflicting use, it is responsible for its own lack of documents.⁶ Respondent's Br., p. 27. Finally, respondent's argument that it has spent \$30,000 per year in advertising its products (Respondent's Br., p. 28) hardly establishes the material prejudice associated with a successful laches defense. Georgia-Pacific, 204 USPQ at 702 ("Great Plains has shown that sales under its logo in question

⁶ Respondent's CEO admitted that "without any mental reservation, without anything on the side, had I seen that EQ

have grown from \$372,000 in 1961 to about \$28,000,000 in 1973... Any change in trademark status at this point would be to the prejudice of Great Plains").⁷

Evidentiary Issues

Respondent has objected to, and moved to exclude, the introduction of Petitioner's Maginn Exhibits 13 and 14 and the related testimony in the Maginn deposition (pp. 14-31) because the exhibits were not produced in discovery. However, petitioner has maintained that it would have produced the exhibits if respondent signed a protective order. "[T]he Board has recognized that, in inter partes proceedings before the Board, protective orders are most frequently sought in *response* to motions to compel where, as here, the matter sought to be discovered assertedly constitutes a trade secret or confidential information which may be held to be discoverable." Johnson Pump/General Valve Inc. v. Chromalloy American Corp., 10 USPQ2d 1671, 1676 n.8 (TTAB 1988) (emphasis in original). See also TBMP § 526:

It is generally inappropriate for a party to respond to a request for discovery by filing a motion attacking it, such as a ... motion for a protective

[petitioner's mark] there, I never would have instituted EQ Systems." Scioscia disc. dep., p. 29.

⁷ Obviously, because we do not find that there is a likelihood of confusion in this case, petitioner's argument that the laches defense does not apply because confusion is inevitable is not applicable. Petitioner's Reply Br., p. 19.

order. Rather, the party ordinarily should respond by providing the information sought in those portions of the request which it believes to be proper, and stating its objections to those it believes to be improper.

[A] motion for a protective order ordinarily should be filed in a Board proceeding only in response to a motion to compel where, for example, matter sought to be discovered assertedly constitutes trade secret or confidential information.

Inasmuch as respondent did not file a motion to compel, its motion to exclude (as a discovery sanction) is not well taken, and it is, therefore, denied.

Finally, respondent's hearsay objection to petitioner's brand name analysis is overruled. The record establishes that the document is a record of a regularly conducted activity that is admissible under Fed. R. Evid. 803(6).

Decision: The petition to cancel Registration No. 1,790,050 is denied.